

EXHIBIT 13

SHAWANGUNK CORRECTIONAL FACILITY
M E M O R A N D U M

TO: STEWART R. KIDDER, Director Support Operations
FROM: R. Creen, Steward *R. Creen*
SUBJ: Vending Machines
DATE: March 13, 2007

In response to your memo dated March 7, 2007 following is the information requested:

1. Rockland Vending, contract #X680037, expires 1/31/08
we are on our last extension
2. We do not have any vending machines not covered under
this contract.
3. The facility handles can returns.
There is no policy/procedure in the contract
4. Issues -- Commission checks and space rental checks are ALWAYS
late!! I e-mail them every month and remind them they are due on the
10th but I usually don't receive them until the end of the month.. We
still have not received the commission check for January and now
February.
For a while we were having difficulty with them keeping the machines
filled but that seems to be resolved. However, the machines do go
down periodically and we usually have to wait for parts – sometimes
over a week. Bill changers seem to be continually out of change in the
inmate visit area even though we are assured there is plenty of change
in the machines.
5. Concerns -- I have been advised that when the owner, Mike Freed, is
out of the office or on vacation there is no one else authorized to sign
any checks... I am not sure how a company can operate like that.

We are currently getting the new bid ready and have requested in
writing some time ago for information on quantities sold. I again
requested the information and gave him a deadline but I am not
hopeful that it will be provided.

For at least the last six months, I put all requests in writing via e-mail.
Unfortunately, Rockland isn't a shining star, but we are dealing with
him.

Let me know if you need any additional information.....

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